E.C. No. 107

ESTIMATES COMMITTEE
(1967-68)

FIFTEENTH REPORT

(FOURTH LOK SABHA)

MINISTRY OF TRANSPORT AND SHIPPING

(DEPARTMENT OF TRANSPORT)

Action taken by Government on the recommendations contained in the Sixty-seventh Report of the Estimates Committee (Third Lok Sabha) on the erstwhile Ministry of Transport—Calcutta and Haldia Ports.

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ESTIMATES COMMITTEE
(1967-68)

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Shri G. D. Sharma—*Under Secretary.*

INTRODUCTION

1. The Chairman of the Estimates Committee, having been authorised by the Committee, present this Fifteenth Report of the Estimates Committee on the action taken by Government on the recommendations contained in the Sixty-Seventh Report of the Estimates Committee (Third Lok Sabha) on the erstwhile Ministry of Transport—Calcutta and Haldia Ports.

2. The Sixty-Seventh Report of the Estimates Committee was presented to the Lok Sabha on the 8th April, 1965. Government furnished their replies to the recommendations, as also further information sought on 14 replies, on the 23rd November, 1966, 6th December 1966, 19th December, 1966, 17th February, 1967 and 6th May, 1967. All the replies were considered by Study Group 'F' of the Estimates Committee on the 13th June 1967. The Report was adopted by the Committee on the 14th August, 1967.

3. The Report has been divided into the following Chapters:—

I. Report.

II. Recommendations that have been accepted by Government.

III. Recommendations which the Committee do not want to pursue in view of Government's reply.

4. An analysis of the action taken by Government on the recommendations contained in the Sixty-seventh Report (Third Lok Sabha) of the Estimates Committee is given in the Appendix. It would be observed therefrom that out of 58 recommendations made in the Report, 53 recommendations *i.e.*, 91.4 per cent have been accepted by Government and the Committee do not desire to pursue the remaining 5 recommendations *i.e.*, 8.6 per cent in view of Government's replies.

NEW DELHI-1;
August 21, 1967
Sravana 30, 1889 (*Saka*).

P. VENKATASUBBAIAH,
Chairman,
Estimates Committee.

CHAPTER I

REPORT

The Estimates Committee are glad to note that the recommendations contained in the Sixty-Seventh Report of the Estimates Committee, 1964-65 (Third Lok Sabha) on the erstwhile Ministry of Transport—Calcutta and Haldia Ports, have been generally accepted by Government.

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT

Recommendation (Serial No. 1 Para 3)

The Committee would urge that the proposal to amend the existing Port Acts of Calcutta, Madras and Bombay should be finalised at an early date and that due provision should be made therein for delegation of greater financial and administrative powers to the respective port authorities as these are the most important well established Ports of the country.

REPLY OF GOVERNMENT

It is proposed to undertake legislation soon to amend the Port Acts of Calcutta, Madras and Bombay with a view to delegating greater financial and administrative powers to the port authorities.

[*Ministry of Transport and Shipping (Transport Wing), O. M. No. 12-PDI (20)/65, dt. 6-5-67.*]

Recommendation (Serial No. 3, Para 7)

The Committee are distressed to note that detention suffered by vessels during the current year is on the increase resulting in payment of increased detention money. There has been an equally marked downward trend in the despatch money earned.

The Committee would suggest that concerted measures should be taken by the Calcutta Port authorities to reduce detention to ships and to speed up their turn-round. In their 66th Report on Dock Labour Boards, the Committee had already observed that the Government should investigate the reasons for the low output of Calcutta Dock labour as well as delay in the unloading of ships and take suitable remedial measures including extension of incentive scheme and they cannot but regret that it should not have been possible to take effective action in this direction so far.

REPLY OF GOVERNMENT

Since March/April 1965, the detention of vessels awaiting allotment of berths has practically disappeared in Calcutta. The turn-

round of ships has also shown distinct improvement. It is a fact that the output of labour on the roll of the Dock Labour Board had gone down very considerably but this trend has been arrested. The Dock Labour Board was greatly concerned about the deterioration, and after an examination of the reasons decided to introduce progressively incentive schemes of payment related to output. Incentive schemes have already been introduced for foodgrains, salt and chipping and painting work. There has been considerable improvement in foodgrain output. Schemes have already been prepared for certain other types of traffic such as other bulk cargo, export of gunnies and export of scrap. These are under discussion with the shipping interests and the labour unions.

[*Ministry of Transport and Aviation, Deptt. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI (20) /65,dt., 6-12-1966.*]

Recommendation (Serial No. 4, Para 8)

The Committee regret to note that there has been heavy shortfall in the planned expenditure during the First Plan period. Against the total outlay of Rs. 12.07 crores provided in the First Plan only Rs. 3.49 crores were spent, and only 7 out of 26 projects could be completed.

The Committee also note that only 50% of the total outlay provided in the Second Plan was utilised and out of 45 projects, including 19 projects carried over from the previous Plan, only 16 projects (i.e. 39%) were completed.

The Committee are distressed to find that a start for the execution of projects included in the First Five Year Plan was made only after two years of the Plan Period had elapsed and that it was when found difficult to make much headway even in the remaining period of the Plan because a separate organisation had to be set up for planning and coordination.

The Committee cannot help regretting these shortfalls all the more since they find that most of the ills of the Calcutta Port are traceable to the failure of the authorities to properly plan and execute the projects during the first two Five Year Plans. The Committee consider that the progress even in the Third Five Year Plan has not been very satisfactory inasmuch as only about Rs. 1752 crores have been spent upto 30-11-1964 out of a provision of Rs. 39.97 crores for the entire Plan period. The Committee would stress that the execution of the Plan projects which are essential for the improvement of Calcutta Port operations should be speeded up so that these are completed as per schedule within the Third Plan period.

The Committee would also suggest that a careful out-line of the works to be provided in Calcutta Port during the Fourth Five Year Plan may be drawn up at an early date after taking into account the likely development of Haldia Port and the neighbouring Paradeep Port. Advance action is necessary to be taken up during the last year of the current Plan period so that the new schemes in the Fourth Plan can be taken up for implementation without avoidable delay.

REPLY OF GOVERNMENT

The observations of the Committee have been noted by the Calcutta Port Commissioners who have taken steps to expedite execution of the plan projects. Performance during the third Five Year Plan is expected to be much better than during the second Five Year Plan. The fourth Five Year Plan has already been drawn up and more or less finalised. Advance action has been initiated in regard to two items namely, purchase of 13 additional diesel locomotives for which there is urgent need and purchase of mobile cranes to cope with the increase in heavy lift traffic. Orders in both the cases have been placed, cost of diesel locos being financed out of Canadian Government Development loan assistance.

[*Ministry of Transport and Aviation, Deptt. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI (20)/65, dt. 23-11-1966.*]

FURTHER INFORMATIOTN CALLED FOR BY THE COMMITTEE

Please furnish the following information regarding the 50 projects included in the Third Plan:

(a) *The number of projects completed during the Third Plan, together with the outlay involved.*

(b) *The number of projects carried over to Fourth Plan, together with outlay involved and the reasons for carrying them over;*

(c) *The particulars of the projects carried over to Fourth Plan and the date of their completion during the Fourth Plan.*

[*Lok Sabha Sectt. O.M. No. 4/22(1) EC/65, dt. 5-1-67*]

FURTHER REPLY OF GOVERNMENT

(a) During the Third Five Year Plan thirty-five projects were completed. Against a plan provision of Rs. 34·52 crores, an expenditure of Rs. 26.70 crores was incurred during the Third Plan period.

(b) Fifteen projects were carried over from the Third Five Year Plan to the Fourth Five Year Plan and the provision made in the Fourth Plan for the completion of the carry-over projects is Rs. 40.8 crores which includes a provision of Rs. 29.85 crores for the completion of the Haldia project during the Fourth Plan. The reasons for the spill-over are mainly due to the fact that certain important schemes taken up in the Third Five Year Plan could not be completed during the Third Plan and had to be carried over to the Fourth Plan for completion.

(c) The particulars of the projects carried over to the Fourth Plan and the probable date of their completion during the Fourth Five Year Plan are indicated in the statement below:—

STATEMENT

(Rs. in lakhs)

Sl. No.	Name of Projects	Total cost	Foreign exchange	Probable date of completion
1	Three launches for three Dredgers	7·5	..	1967-68
2	Small Suction Dredger	235·0	206·0	1967-68
3	Four Dock Tugs	164·0	107·0	1968-69
4	Four Hopper Barges	271·0	226·0	1967-68
5	Grab Dredger	50·0	34·0	1967-68
6	Three Launches	16·0	..	1967-68
7	Renewal of No. 2 Swing Bridge	53·0	32·0	1967-68
8	Pumping Plant for recirculation of Kidderpore Dock Water	41·0	26·0	1967-68
9	Plant and machinery for workshop	32·0	19·0	1966-67
10A	Mechanical appliances	6·0	4·0	1966-67
10B	Extension of Western Arm of King George's Dock	50·0	12·0	1967-68
11	New Hospital	52·0	..	1968-69
12	Hospital staff quarters at Majerhat	16·0	..	1967-68
13	Quarters of all categories of staff	73·0	..	1970-71
14	Construction of spurs and groynes Jarmarkers Reach at Pakuria Point	20·8	..	1967-68
15	Haldia Dock System	2985·0	700·0	1970-71
	TOTAL	4072·3	1366·0	

[Min. of Transport and Aviation, Deptt. of Transport and Shipping Transport Wing), O. M. No. 12-PDI (20)/65, dt. 17-2-1967.]

Recommendation (Serial No. 5, Para 13)

The Committee note that while in 1956 the Calcutta Port remained open for 168 days to vessels of 26' draft and 276 days to vessels of 24' draft, the position rapidly deteriorated thereafter reaching the lowest point in 1961 when the Port was not open even for a single day to 26' draft vessels and was open for only 37 days to 24' draft vessels. The position slightly improved in 1962 and to a greater extent in 1963. The Committee regret to find that in 1964 the number of days for which the Port was open to vessels of 26' draft and 24' draft has again come down as compared to the corresponding figures for the preceding year.

The Committee consider that there is need for intensifying measures to ensure that the Port of Calcutta remains open to vessels of 26' draft and 24' draft for at least the same number of days as used to be the case in 1956. The Committee need hardly add that after head waters become available from Farakka the effort should be not only to improve upon the record of 1956 but also to open the port to vessels of about 30 feet draft as far as possible.

REPLY OF GOVERNMENT

It is well-known that due to factors beyond the control of the Port authority the River Hooghly has been deteriorating for a long time. While intensive studies have been and are being made and very large expenditure is being incurred on intensive dredging, it would not be possible to arrest the deterioration until the Farakka Barrage is ready and upland water supply from the Ganga is available throughout the year. Government and the Port authority recognise the great importance of improving the draft available to shipping. Every attempt will be made to minimise any further deterioration of the Hooghly until the Farakka Barrage is completed and to improve the draft as much as possible after the completion of the Farakka Barrage.

[*Ministry of Transport & Aviation, Department of Transport & Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dt. 6-12-1966.*]

Recommendation (Serial No. 7, Para 23)

As is well-known, river Hooghly is one of the most difficult rivers for navigation and huge amount have to be spent to clear the silt to keep the Port in operation. Besides, the Port of Calcutta serves not only the State of West Bengal but also the neighbouring States of Assam, Bihar, Uttar Pradesh, Orissa, etc. Calcutta, in fact, is

the biggest Port of the country handling about 45 per cent of export trade and 40 per cent of import trade. The port charges are in a way direct burden on India's export and to that extent handicap the country's export effort. In view of these considerations, the Committee would suggest that the question of the Central Government taking over the responsibility for the maintenance of river Hooghly for Calcutta Port may be examined in all its remifications.

REPLY OF GOVERNMENT

The matter is under consideration.

[*Ministry of Transport and Aviation, Deptt. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dt., 12-12-1966.*]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please indicate the decision, as and when taken, regarding the question of the Central Government taking over the responsibility for the maintenance of river Hooghly from Calcutta Port.

[*L.S.S. O.M. No. 4/22(I)ECI/65, dated 5-1-1967.*]

FURTHER REPLY OF GOVERNMENT

The matter is under consideration by the Department of Transport and Shipping in consultation with the Ministry of Finance.

[*Ministry of Transport and Aviation, Deptt. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dt., 17-2-1967.*]

Recommendation (Serial No. 8, Para 26)

As dredgers involve large capital outlay, the Committee would suggest that the Port authorities should make every effort to improve their utilisation by making adequate arrangements for servicing, maintenance and operational staff. The Committee would also suggest that the question of providing latest navigational aids to improve utilisation of dredgers may be considered.

REPLY OF GOVERNMENT

The Port Commissioners have adequate repair facilities in their own workshops and repairs are carried out normally in accordance with a planned programme. In recent years steps have been taken

to improve workshop equipment and expand repair facilities to vessels and craft. A further provision has been made in the Fourth Plan for acquisition of additional workshop equipment and machinery. There are adequate arrangements for training technical personnel. There is one major difficulty, however, that is, the inadequacy of berthing space for repairs to big vessels like dredgers. This difficulty will, to a great extent, be reduced when extension of the King George's Dock which is under progress is completed. After the Haldia Dock is ready and coal and ore traffic is diverted, several berths in Calcutta now used for loading of coal and the berths now allotted for loading ore will be available for other use. Some of these berths will be earmarked as repair berths. As regards navigational aids, the position is that the shore transits in the upper reaches, both lighted and unlighted, are adequate for dredging operations and for the estuary dredger, 'Hi-fix' installation, radar and lighted buoys are being provided. The dredgers are also adequately fitted with navigational aids.

[*Ministry of Transport & Aviation, Department of Transport & Shipping, (Transport Wing), O.M. No. 12-PDI(20)/65, dated* 23-11-1966.]

Recommendation (Serial No. 9, Para 27)

The Committee welcome the formation of a Central Dredger Pool for minor ports. The Committee need hardly stress that a Central Dredger Pool apart from ensuring economy in dredging operations would make available a Central reserve of strategic machinery and equipment for use in an emergency in any port.

REPLY OF GOVERNMENT

The question of forming a Central Dredging Organisation to meet the capital dredging requirements of the ports is under active consideration.

[*Ministry of Transport and Aviation, Deptt. of Transport and Shipping (Transport Wing), O.M No. 12-PDI(20)/65, dt.* 19-12-1966.]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please intimate the decision, as and when taken, regarding the question of forming a Central Dredging Organisation to meet the capital dredging requirements of major ports.

[*L.S.S. O.M. No. 4/22(I)ECI/65, dated* 5-1-1967.]

FURTHER REPLY OF GOVERNMENT

There is at present a Minor Ports Dredger Pool. Two dredgers were ordered for this Pool in 1961. One was delivered in October, 1965 and is at present working at Bhavnagar port. The delivery of the other dredger is expected shortly. It is proposed to acquire two tugs, four hopper barges and a 3,000 ft. pipeline for the dredger. One of the tugs has recently been delivered and the other is expected to be delivered soon. Orders for barges and pipelines had been placed and delivery is awaited.

We have recently been thinking of having a bigger dredger pool which would cater to the capital dredging requirements of major ports also. With a view to assess the specific dredging requirements, the requirements of equipment and also as to how this should be procured, whether inside or outside the country, a Technical Committee has been constituted by the Ministry of Transport. The Committee has been requested to give its report within a month. On receipt of the Committee's report, the question of procuring the requisite equipment will be processed.

[*Min. of Transport and Aviation, Deptt. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI (20)/65, dt.*, 17-2-1967.]

Recommendation (Serial No. 10, Para 28)

The Committee suggest that Government may take suitable measures such as allowing drawback of import duty on parts and machinery required for manufacture of dredgers within the country so that the quotations of Indian manufacturers can stand favourable in comparison with quotations received from foreign manufacturers in response to global tenders.

The Committee would also emphasise that special attention should be paid to the designing of the dredgers so that in due course "know how" is developed within the country to undertake manufacture of dredgers suited to local conditions and requirements.

REPLY OF GOVERNMENT

The matter has been taken up with the Central Board of Revenue.

As regards the recommendation of the Committee regarding the development of technical know-how for the manufacture of dredgers in the country, the matter is being taken up with the Defence

Ministry who are administratively concerned with M|s. Mazagon Docks Ltd., Bombay and M|s. Garden Reach Workshops Ltd., Calcutta who manufacture dredgers in the country.

[*Min. of Transport and Aviation, Deptt. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dt. 19-12-1966.*]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please intimate the result of reference to the Ministry of Defence regarding the development of "know-how" for dredgers in the country.

[*L.S.S. O.M. No. 4/22(I)ECI/65, dated* 5-1-1967.]

FURTHER REPLY OF GOVERNMENT

The reply of the Defence Ministry is awaited. They are being reminded.

In S. No. 10—Para 28 of the Sixty-seventh Report of the Estimates Committee (Third Lok Sabha), the Committee had also suggested that Government might take suitable measures such as allowing draw-back of import duty on parts and machinery required for the manufacture of dredgers within the country so that the quotations of the Indian manufacturers can stand favourable comparison with quotations received from foreign manufacturers in response to global tenders. The Ministry of Finance (Department of Revenue and Insurance) with whom the matter was taken up have stated as follows:—

> "Dredgers are already covered by the Drawback Scheme under S. No. 248 of Schedule II of the Drawback Rules. Drawback is admissible on export of these marine crafts under claim for drawback at rates to be fixed on specific request by the manufacturers furnishing the necessary data. The rates so fixed would include the import duty as well as the Central Excise duty paid on the materials used in the manufacture of dredgers. Such drawback will be admissible only on dredgers, which are exported out of India. If they are not exported out of India the question of drawback will not arise."

[*Ministry of Transport and Aviation, Deptt. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dt., 17-2-1967.*]

FURTHER REPLY OF GOVERNMENT

The Ministry of Defence, with whom the matter was taken up, have stated as follows:—

Both Mazagon Dock Limited, Bombay and Garden Reach Workshop Limited, Calcutta, have built Dredgers in the past. G. R. W. have built a Dipper Dredger for the J & K Government and are building a Hopper Suction Dredger for Paradeep Port. M. D. L. have built Grab Dredgers and a 1000 Tons/Hour Bucket Dredger for the Indian Navy. The Bucket Dredger for the Navy was launched in June, 1966, and handed over to the Indian Navy on 31st March, 1967. It will be seen from above that both the Companies possess the required "know-how" to undertake manufacture of Dredgers.

M. D. L. are shortly entering into collaboration with M/s. I.H.C. Holland, a reputed firm of Ship-builders. The collaboration with this firm will enable M. D. L. to undertake manufacture of all kinds of Dredgers. Both the Companies are also paying attention to acquire the necessary knowledge to enable them to design Dredgers also.

[*Min. of Transport & Shipping (Transport Wing), O. M. No. 12-PDI (20)/65, dated 6-5-1967.*]

Recommendation (Serial No. 11, Para 29)

The Committee suggest that the research on the question of selecting the most suitable dumping ground for disposal of spoil dredged from the river should be intensified and should receive constant attention in view of its far-reaching effects on the navigation of the river.

REPLY OF GOVERNMENT

The choice of suitable dumping grounds for disposal of spoil dredged from the River Hooghly has been a matter of continuous study for a long period. This question was studied also by a foreign dredging expert whose services were made available to the Port through the United Nations Technical Assistance Organisation for a period of three years. This is being further studied by the Hydraulic Study Department of the Port in consultation with the Central Water & Power Research Station at Poona.

[*Min. of Transport & Aviation Deptt. of Transport & Shipping (Transport Wing), O.M. No. 12-PDI (20)/65, dt. 23-11-1966*].

Recommendation (Serial No. 12, Para 30)

The Committee regret to note that the depths on the old Balari Bar alignment should have been allowed to fall as low as 4'—6" in 1960. The Committee would suggest that a critical assessment of the river training works may be undertaken with a view to take remedial action in good time and to devise new training works in the light of experience.

REPLY OF GOVERNMENT

The Balari Bar has been a relatively stable channel. The deterioration of the Balari Bar is accompanied by the development of the alternative navigable channel known as the Rangafalla Channel. Measures for improving the Balari Bar could not be taken in hand until the Rangafalla Channel had developed by nature. The training works undertaken upstream of the Balari Bar as well as the development of the new alignment of the Balari Bar in 1961 have been showing satisfactory results. The Balari Bar is not usually now the governing bar.

[*Min. of Transport & Aviation Deptt. of Transport & Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dt. 23-11-1966.*]

Recommendation (Serial No. 13, Para 33)

As Farakka Barrage has a vital bearing on the navigability of river Hooghly and the future of Calcutta Port, the Committee would stress that the work on the Barrage should be proceeded with utmost expedition. The Committee would in particular suggest that adequate foreign exchange should be made available well in advance for importing the requisite essential equipment and materials so that the progress of the work is in no way impeded and the scheduled programme of construction is kept up.

The Committee would also suggest that the processing of applications for the release of foreign exchange for import of requisite essential equipment and materials may be streamlined to obviate delay.

REPLY OF GOVERNMENT

The recommendation has been brought to the notice of the Ministry of Irrigation & Power for compliance.

[*Min. of Transport & Aviation Deptt. of Transport & Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dt. 23-11-1966.*]

Recommendation (Serial No. 14, para 34)

The Committee would like to mention the importance of the Farakka in connection with the Calcutta Port and also as an important link for road and river transport between Calcutta and upper and north eastern India. The Committee feel that the flow of water down the spill channel from the Bhagirathi and Hooghly should be carefully regulated as it would be of great importance not only for Calcutta Port but also for Haldia. As such, the Committee would suggest to the Government to consider the question of coordinating working of Farakka Barrage, Calcutta Port and Haldia Port through proper administrative machinery. The Committee would also suggest that Farakka should be developed as a junction for river and road transport from Calcutta upto at least Patna and from Calcutta to Assam and the strategic section of the north-east frontier so as to give relief to the over-worked rail and road transport system in the area. As such, the Committee feel that Farakka should be developed as an industrial area also, particularly for the manufacture of road and river transport vehicles. This may also give added employment facilities for the displaced persons entering West Bengal.

REPLY OF GOVERNMENT

To ensure adequate coordination with the Calcutta Port authority, the Chairman of the Port Commissioners has been made a member of the Farakka Barrage Control Board. He has also been made the Vice-Chairman of the Board and the Chairman of the Local Committee. He is thus in a position to ensure that the interests of the Port of Calcutta are safeguarded and fully taken into account.

The Committee's recommendation for the development of Farakka as a junction for road and river transport has been noted and is being brought to the notice of the authorities concerned for consideration.

As regards the development of Farakka as an industrial area, the West Bengal Government have made the following observations:—

> "The location of Farakka, despite the fact that it will be far away from the Calcutta Port, has got potentialities for development as an industrial area. The potentialities will further increase with the Barrage as it will be the link between the northern sector and the southern sector

of West Bengal. Communication facilities also exist in the form of railway lines and National Highway. The only disadvantage is, if it is compared with Durgapur, that raw materials will have to be carried from the Calcutta Port to Farakka and the finished products will have to be carried back for marketing in the Calcutta area. In other words, the cost of transportation will be an additional item.

But, unfortunately, as a result of the directive given by the National Development Council, it has been advised by the Planning Commission not to take up any industrial area project during the current financial year. However, when the 4th Plan is finalised, this Department propose to include Farrakka as a possible area for development as a large industrial area."

[*Min. of Transport & Aviation, Deptt. of Transport & Shipping, (Transport Wing), O.M. No.* 12-*PDI* (20) /65, *dt.* 23-11-66.]

Recommendation (Serial No. 15, Para 35)

The Commitee are glad to note that the Calcutta Hydraulic Department is rendering valuable service to the Port in hydraulic studies of the river. They, however, feel that with the coming up of the Haldia Port on the one hand and the Farakka Barrage on the other, the Hydraulic Study Department will have to undertake study of a larger number of problems in the coming years. The Committee, therefore, suggest that the scope of the Department should be expanded gradually to enable it to face the additional tasks ahead in the process of rendering on-the-spot expert advice to the Calcutta Port Authorities on the complex hydraulic problems of the river made all the more complex by the coming into being of the Farakka Barrage and the Haldia Port.

REPLY OF GOVERNMENT

The observations and recommendations of the Committee have been noted by the Port Commissioners. The organisational set up of the Hydraulic Study Department will be reviewed from time to time with reference to the programme of work.

[*Min. of Transport & Aviation, Dept. of Transport & Shipping, (Transport Wing), O.M. No.* 12-*PDI* (20) /65, *dt.* 23-11-66.]

Recommendation (Serial No. 16, Para 36)

The Committee would stress the need for close liaison between the Hydraulic Study Department of Calcutta Port and the Central Water and Power Research Station, Poona so as to ensure that there is no overlapping in the study of problems and that the Hydraulic Study Department in the port is helped to develop on the right lines. The Committee would also suggest that the problems pending investigation particularly those relating to the stabilization of Balari Bar Crossing and the effect of bank erosion on the tidal propagation in the Hooghly should be taken in hand at an early date.

The Committee would also suggest that Calcutta Port authorities should maintain liaison with the State Government River Research Institute at Hiranghata.

REPLY OF GOVERNMENT

There is close coordination between the Hydraulic Study Department of the Port and the Central Water & Power Research Station at Poona. The problems studied by the two organisations are reviewed jointly every two or three months. The Balari Bar indicates at present no instability and the behaviour of the Balari and other bars is under continuous examination. Some corrective works for the prevention of bank erosion have already been sanctioned. Problems of mutual interest concerning the Hooghly and its tributaries are discussed jointly from time to time with the State Government River Research Institute at Hiranghate.

[*Min. of Transport & Aviation, Dept. of Transport & Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dated 23-11-66*].

Recommendation (Serial No. 17, Para 37)

The Committee hope that close liaison exists between River Survey Service and the Hydraulic Study Department which studies problems regarding the navigability of river Hooghly.

REPLY OF GOVERNMENT

The programme of measurements and studies are jointly drawn up with the help and advice of the River Survey Service. There is very close liaison.

[*Min. of Transport & Aviation, Dept. of Transport & Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dt. 23-11-66.*]

Recommendation (Serial No. 18, Para 38)

The Committee note that the Assistant Harbour Masters went on a strike in January, 1965 when an officiating Harbour Master was demoted to his substantive post by the Port Authorities. The strike has been given up after it has lasted for several weeks. When pressure was being put up by shippers to raise freight rates on the alleged ground of slow turn round of ships and when all-out efforts should have been made to bring about operational efficiency in Calcuta Port, the Committee regret that a strike among the essential services of the Calcutta Port has occurred creating further difficulties for the port. The Committee view the recurrence of such strikes among the essential services with concern and distress and feel the Government should have taken appropriate actions to prevent the strike and/or to take adequate steps as provided by the law in the event of a strike by essential services.

REPLY OF GOVERNMENT

The sentiments expressed by the Committee are accepted. It is because of the great need for enforcing discipline and to make the officers realise their responsibilities to the country, that the Port Commissioners, with the support of Government decided not to yield to unreasonable pressure of this kind. It is hoped that no service or group of officers will resort to such methods in future.

[*Ministry of Transport and Shipping (Transport Wing), O.M. No.* 12-PDI (20)/65, dt. 6-5-67]

Recommendation (Serial No. 19, Para 39)

The Committee would suggest that Government may consider the question of appointing a Committee consisting of representatives of major ports, shipping interests, leading Chambers of Commerce and Industry, Ministries of Transport and Finance to go into the question of rationalisation of port charges for major ports of India and bringing about as much standardisation in the structure and nomenclature of port charges as possible. The aforementioned Committee may also examine the question of Central Government taking over responsibility of the maintenance of navigation of river Hooghly so that the port charges for Calcutta are brought in line as far as possible with the charges levied in other major ports.

REPLY OF GOVERNMENT

This is a complex question and it is difficult to draw any conclusions or to decide any policy solely on the basis of a comparison of the rates prevailing at the different ports. It is obvious that each port has to meet its own costs. It is not possible to reduce the charges at one port unless the costs at that port can be brought down which, by and large, is very difficult to achieve without affecting the efficiency or industrial peace. It is also obviously not proper to raise the charges at another port merely to achieve a uniformity if the costs at that port do not warrant such an increase. The pattern of work, the volume and nature of traffic, level of local costs etc., determine the level of expenditure. The Estimates Committee has drawn attention to the observations of the Rochdale Committee on the British ports. It is understood that the National Ports Council which has been set up in the U.K. has not been able to deal with this problem yet. However, this question was discussed by the Inter Ports Consultation Committee and each of the major ports is studying this problem. In the light of their recommendations, the Government will examine whether the present pattern of port charges can be radically altered to bring about the desired uniformity or standardisation and if so how the task should be undertaken.

[*Min. of Transport and Shipping (Transport Wing)*, *O.M. No.* 12-*PDI* (20)/65, *dt.* 6-5-67]

Recommendation (Serial No. 21, Para 41)

The Committee suggest that the major ports in India should bring out hand-books and other informatory literature showing the facilities available at the ports and other rules and regulations of interest to the shippers, importers, exporters etc.

REPLY OF GOVERNMENT

This has been noted by the Port of Calcutta and attention of the other major ports has been drawn to the recommendation.

[*Min. of Transport & Aviation, Dept. of Transport & Shipping (Transport Wing)*, *O.M. No.* 12-*PDI*(20)/65, *dt.* 23-11-66].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please intimate the action taken by Calcutta and other major ports in the matter of bringing out hand-books and other informatory literature of interests to the shippers, importers, exporters, etc.

[*L.S.S. O.M. No.* 4/22(1)*ECI*/65, *dated* 5-1-1967.]

FURTHER REPLY OF GOVERNMENT

The progress made in the implementation of the Committee's recommendations as intimated by the port authorities is as follows:

Madras Port:

The port had published a hand book in 1955. This had become obsolete in parts. A revised edition is under preparation. A booklet "Guide to users of the Port" which contains particulars useful to the shippers, importers, exporters etc. is under print. Another booklet "The Port of Madras—its past, present and future—A report on its development under the Five Year Plans" is also under print.

Visakhapatnam Port:

The following publications have been brought out by the port:

1. '*Know Your Port*' This pamphlet gives information about the facilities available at the port.
2. '*Mechanical ore handling plant brochure*' This deals with the details of the operation of the plant.
3. '*Vishakhapatnam Port rules and scales of rates*' This book contains the port rules, rates of fee payable. This is a priced publication costing Rs. 7.95 per copy.

Kandla Port:

The Port of Kandla has been bringing out pamphlets which furnish informatory literature regarding the facilities and special features available at the port The printing of a Hand Book on Kandla Port is also under consideration.

Mormugao Port:

The Port Trust, after liberation, had issued a hand book giving details showing the facilities available at the port, rules and regulations etc. of interest to shippers etc. But this book has become out of date. It is proposed to revise it with a view to bring it upto date. The Port Trust have also printed regulations as individual units and these are made available to the interests concerned with the working of the port. This proposal is proposed to be continued.

The specific action taken by the other port authorities is being ascertained and will be intimated in due course.

[*Min. of Transport & Aviation, Dept. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI (20)/65, dt. 17-2-1967*].

FURTHER REPLY OF GOVERNMENT

The progress made in the implementation of this recommendation, in so far as the ports of Madras, Vishakhapatnam, Kandla and Mormugao is concerned, has already been intimated.

The position with regard to other port authorities is as follows:

Bombay: The Port Trust have taken steps to publish a hand-book, 'The Port of Bombay' giving general information about the port.

Calcutta: The Calcutta Port have noted the recommendation of the Committee and are taking steps to bring necessary hand-books and other informatory literature.

Cochin: A hand book giving the necessary information regarding the port has already been brought out by the port authorities.

[*Min. of Transport and Shipping (Transport Wing), O.M. No 12-PDI (20)/65, dt. 6-5-67*]

Recommendation (Serial No. 22, Para 42)

The Committee would suggest that special attention may be paid to the need for introducing and developing management accountancy in ports with a view to provide ready index of the income and expenditure accruing on diverse activities and making each one self-supporting as far as possible. They would also suggest that the question of adopting a common Accounts Code for the analysis of income and expenditure in all major ports may be examined in consultation with the Ministry of Finance and Comptroller and Auditor-General.

REPLY OF GOVERNMENT

Government have, in consultation with the port authorities particularly of Calcutta and Bombay, taken up the question of evolving a uniform system of accounts in the major ports and a system of preparing management accounts. The Port of Calcutta and the Port of Bombay had engaged two firms of auditors to advise them how

management accounts could be prepared. The recommendations contained in these reports are at present under examination by an officer borrowed from the Comptroller and Auditor General. Two officers one each from the Ports of Bombay and Culcutta are also studying these reports jointly so that changes where necessary in the existing system of maintaining accounts can be carried out expeditiously.

[*Ministry of Transport & Aviation, Dept. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI(20)/65, dt. 6-5-67*].

Recommendation (Serial No. 23, Para 43)

The Committee feel that now that a firm decision has been taken on the construction of Haldia Port, close to Calcutta, it is desirable that the entire position regarding the berthing requirements of Calcutta Port are reviewed by an expert committee.

The expert Committee may take a long term view of the requirements—say for the next 25 years—with particular reference to the nature and quantum of cargo expected to be handled in Calcutta Port so that detailed schemes can be drawn up for modernising the existing facilities and for providing additional berthing facilites as may be required.

The expert committee should also go into the related questions of providing proper berthing facilities for execution of repairs to ships which are stated to be inadequate at present as also the provision of modern facilities for handling of large tankers.

The Committee need hardly emphasise that as and when new working berths are provided it should be ensured that not only they allow easy approach for the latest type of ships but are fully equipped for speedily handling the expected cargo.

REPLY OF GOVERNMENT

The Study Team which was set up by the Government to examine the economic, financial and other implications of the Haldia project has taken a long-term view of the requirements of the Calcutta Port as well. Since there would be a dimunition of traffic at Calcutta on the opening up of the Haldia dock, as a result of diversion of bulk cargo like coal and ore from Calcutta to Haldia, there is no need for construction of any additional berth for the time being at Calcutta. With the growth of general cargo traffic, however, there would be need in due course of converting some of the berths

released into general cargo berths and this will be undertaken in the Fifth Plan. As already mentioned in reply to serial No. 8, some of the released berths will be made available for the repair of vessels.

[*Min. of Transport & Aviation, Deptt. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI(20)/65, dt. 6-5-67*].

Recommendation (Serial No. 24, Para 44)

The Committee understand that the question of mode of transport/transmission of refined products from the proposed refinery at Haldia to Calcutta would be decided when the negotiations for setting up the refinery are finalised with the foreign collaborator.

The Committee have no doubt that Government would keep in view the existing facilities available at tanker discharge jetties at Budge-Budge while deciding on the best means of transport/transmission of oil from Haldia to Calcutta.

REPLY OF GOVERNMENT

The recommendation has been brought to the notice of the Ministry of Petroleum and Chemicals for consideration.

[*Min. of Transport & Aviation, Deptt. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI(20)/65, dated 23-11-1966*]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please state the latest position in the matter.

[*L.S.S. O.M. No. 4/22(I)ECI/65, dated 5-1-1967.*]

FURTHER REPLY OF GOVERNMENT

The Ministry of Petroleum and Chemicals with whom the matter was taken up have stated as follows:—

> "We would keep in view the existing facilities available at the tanker discharge jetties at Budge Budge as well as Paharpur while deciding on the best means of transporting oil from Haldia to Calcutta, consistent with the economics of transportation of some products through pipeline from Haldia."

[*Min. of Transport & Aviation, Deptt. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI(20)/65, dated 17-2-1967*]

Recommendation (Serial No. 25, Para 47)

The Committee suggest that the following measures may be considered urgently to prevent hold up of consignments in the dock area and for improving the quick movement of imported cargo through the port premises:

(i) *Every facility may be given to importers to clear the goods through customs and from the Port as quickly as possible after landing. They would suggest that the Committee constituted recently by the Collector of Customs, consisting of representatives of Port Commissioners, import, trade and shipping interests, to look into the complaints of shippers, may be asked to suggest measures for streamlining and expediting the clearance of goods through customs.*

(ii) *The Port authorities may review the period for which goods may be left in transit sheds. It may also be examined whether it would be desirable to levy rent and incidental charges on cargoes confiscated by customs and left lying on the port premises by them beyond a certain period.*

(iii) *A small committee consisting of representatives of Port authorities, Customs, importers and steamer agents may be set up to go into the question of unclaimed/unidentified imported cargo on account of lack of identification marks and suggest suitable remedial measures.*

(iv) *The road system within the dock area may be kept free for moving vehicles and if possible, parking areas for lorries awaiting load may be provided.*

REPLY OF GOVERNMENT

(i) The authorities at the Port of Calcutta welcome any measure which aims at quicker clearance of cargo after landing. The Committee constituted by the Collector of Customs has been asked to go into this matter.

(ii) An interval of three days is normally allowed before import cargo landed from vessels is removed from the transit sheds to the import warehouses. It is only when no vessel is awaiting for berth that such cargo is allowed to remain in transit sheds for longer periods.

The question of levying rent and other charges on cargoes confiscated by the Customs is under consideration.

(iii) There is sometimes difficulty in identification of some cargo received from coastal ports but in particular from the Black Sea ports. In regard to coastal cargo, the difficulty arises from the use of second hand containers and in the case of materials loaded from Black Sea ports from faulty marking. These being the factors, it is felt that a Committee as suggested will not be in a position to improve the situation. It is, however, not a large problem and generally the importers in their own interest and as a result of pressure from the port authorities are trying their best to make the exporters improve the marking to avoid difficulty of identification on receipt of the cargo.

(iv) With the help of the Port Police authorities, it has been possible to exercise satisfactory control over movement of traffic in the Dock area. The possibility of improving the road system, where necessary, will be considered in any future plan of development of the Calcutta Port.

[*Min. of Transport and Aviation, Deptt. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dated 6-5-1967*].

Recommendation (Serial No. 26, Para 48)

The Committee feel that as the Port authorities have been making sizeable profit from their warehouses, they should utilise a portion of this profit to improve the conditions of warehousing in general and introduce scientific and modern methods for storage and stacking and to facilitate quick delivery to prevent any damage to the goods.

Reply of Government

The Committee's recommendation has been noted. In the Fourth Five Year Plan provision has been made for replacement of the existing lifts in the warehouses in the Calcutta Jetties by modern ones.

[*Min. of Transport & Aviation, Deptt. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI(20)/65, dated 6-5-1967*].

Recommendation (Serial No. 27, Para 49)

(i) *The Committee would suggest that the Port authorities may use the good offices of the Jute Commissioner to arrange for the spread of movement of jute manufactures in lighters throughout the month.*

(ii) *The Committee would suggest that the position regarding the number of lighters, their usage for storage and facilities for entrance and exit to the dock area may be examined and necessary remedial measures taken so that the lighters, which are meant to speed up loading and unloading of goods, contribute effectively towards that end.*

REPLY OF GOVERNMENT

The matter is under examination by the Jute Commissioner but it is a difficult matter as long standing practices have developed which the various interests concerned, *viz.*, Jute Mills, Jute exporters and foreign importers, are reluctant to give up. It would be inadvisable to do anything which might adversely affect exports. Certain suggestions have been put forward to the Jute Commissioner how the shipments could be spread out a little more than at present.

[*Min. of Transport & Aviation, Deptt. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI(20)/65, dt. 23-11-66*].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please intimate the decision taken on the suggestion made to the Jute Commissioner regarding spreading out of shipments.

[*L.S.S. O.M. No. 4/22(I)ECI/65, dated 5-1-1967*].

FURTHER REPLY OF GOVERNMENT

The Calcutta Port Commissioners, who were consulted in the matter, have made the following observations:

"The question of granting 'V' sign and quick turn-round of boats carrying jute goods has been receiving the attention of the Jute Commissioner. Several meetings in this regard have been held under his Chairmanship. A discussion was held by the Jute Commissioner with the representatives of the Indian Jute Mills Association and the Calcutta Jute Fabrics Shippers' Association on the suggested steps for meeting the problem of congestion in the Port of Calcutta. The Associations themselves met at a joint meeting for consi-

dering the criteria of fulfilling the 'due date' obligations under export contracts. At a meeting held on the 16th March 1966 between the Jute Commissioner and our Traffic Manager, it was agreed that 'V' signs could be issued say four days before a steamer is fully ready for loading after discharging import cargo. In cases, where simultaneous loading could be done with unloading, the 'V' signs would be issued. The Steamer Agents should, however, make quite certain when they ask for a 'V' sign that their vessel would be ready to load in all hatches on the date declared or that, if a vessel was expected to arrive in Port in ballast, there would be a greater degree of accuracy in their expected time of arrival.

As matters stand at present, 'V' signs are granted to Steamer Agents on good faith. But unfortunately, Steamer Agents' declarations are not always accurate. Complaints are very often received from the Steamer Agents to the effect that cargo is not available or if available, not ready for shipment."

[*Ministry of Transport and Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dt.* 6-5-67].

Recommendation (Serial No. 28, Para 50)

(i) *The Committee regret that the delay on the part of Government in rationalising classification of hazardous cargo gave rise to numerous complaints from the Trade. The Committee would emphasise that a uniform policy should now be enforced in all the ports in the matter of classification of hazardous cargo.*

(ii) *The Committee would urge that the Port authorities should review the position for handling of hazardous cargo in consultation with the trade and provide suitable facilities including godown facilities so that the handling of such cargo is not impeded. They need hardly emphasise that godown for hazardous cargo should be so located and equipped with fire fighting appliances as to reduce the hazards in a busy port like Calcutta to the minimum.*

(iii) *The Government should follow up the question of waiving of the surcharge imposed by the Shipping Conference Line on hazardous cargo Category I so that the users are not subjected to extra levy.*

Reply of Government

(i) A revised list of hazardous cargo classifying them into four different categories has been drawn up by the Traffic Manager, Calcutta Port and this has been adopted by all the major ports in India

as the basis for observing safety measures for their discharge, handling and transport from the port.

(ii) A new godown has been built for storage of hazardous cargo other than category one. Pending construction of a godown which has been decided upon for hazardous cargo—Category I, one of the existing godowns has been set apart for this purpose. As regards liquid hazardous cargo—Category I, facilities have been provided for storage at Budge Budge. These should adequately meet the needs.

(iii) It has recently been agreed that the additional surcharge levied on hazardous cargo-Category I would be refunded by the shipping companies in all cases where the importers come forward and take prompt delivery of the cargo. The existing arrangement seems on the whole satisfactory inasmuch as the surcharge affects only those importers who fail to take prompt delivery.

[*Min. of Transport & Aviation, Deptt. of Transport & Shipping, (Transport Wing), O.M. No. 12-PDI (20)/65, dt. 17-2-1967*].

Recommendation (Serial No. 29, Para 52)

The Committee would suggest that there is need for organising research to devise the most suitable and forward-looking methods for handling general cargo so as to take full advantage of modern technology and practices followed in ports of advanced countries. The Committee would, in particular, suggest that modern equipment and handling practices should be adopted in new ports which are coming up at Haldia, Tuticorin, Paradeep, etc.

The Committee would also suggest that an expert Committee may be constituted to go into the problem of mechanisation of ports not only with a view to suggest improvements in technology and practices but also to standardise the equipment as much as possible and suggest measures for its indigenous manufacture.

The expert committee may specially examine the need for providing additional heavy lift facilities particularly for a port like Calcutta which has to handle large sized and heavy machinery required for the steel plants, Heavy Engineering Corporation, etc.

There should be close coordination between the Port authorities/Ministry of Transport and the Railways concerned/Ministry of Railways in the matter of devising best means for transferring goods from ships into the wagons and vice versa.

In this context, the committee would like to draw attention to the reported delay in arranging special types of wagons required for clearing heavy machinery. The Committee feel that if there is pro-

per coordination between the consignees of heavy machineries (which are mostly in Public Sector) the Port authorities, shippers and the Railway concerned, it should be possible to arrange for wagons of the special type to effect prompt clearance. This would not only save the consignees payment of heavy demurrage charges but also will keep the Ports free from unnecessary congestion.

REPLY OF GOVERNMENT

The Estimates Committee has referred to the need (i) for continuous efforts at keeping abreast of modern methods of handling general cargo, (ii) for standardisation of equipment with a view to indigenous manufacture and (iii) additional facilities for handling heavy lifts.

All these suggestions have been noted and are being implemented.

During the last two plans a considerable number of modern cargo handling equipment have been acquired with a view to modernising cargo handling methods. The Fourth Plan will carry this programme further. At the Port of Calcutta a Planning Cell has been constituted one of whose main tasks is to study cargo handling methods. An Institute of Port Management has been set up at Calcutta and here also cargo handling methods are being studied and discussed. Recently, a symposium was held on pelletisation of cargo which has come into large use in European ports. Representatives of other Indian Ports, Shipping interests, Railways, Customs etc. were present. It was a very largely attended symposium in which all interests took active part. The ideas emerging from this symposium are being followed up. A group has been specially set up in the Institute of Port Management for this purpose.

As regards standardisation of equipment the Port Trusts have felt the need for it. In 1963, the Inter Ports Consultations which is composed of the Chairmen of all the major ports directed the Chief Mechanical Engineers of the ports to go into this question in detail, equipment by equipment. This Committee of Chief Mechanical Engineers which was set up in October 1963 has already produced a report suggesting standard specifications of the main items of mechanical equipment. The Committee is now examining the floating craft.

The need for providing additional heavy-lift facilities at Calcutta is fully appreciated. The Port Commissioners acquired two modern floating cranes for the purpose in the 3rd Plan and plan to acquire a 150-ton floating crane in the 4th Plan. The Haldia Dock Project also provides for a heavy lift yard. Some of the berths released at

Calcutta by transfer of bulk cargo traffic to Haldia may also be converted into use for handling heavy-lifts.

As regards special types of wagons the matter has been taken up with the Railway Board. It is understood that the Railway Board are taking steps to augment the number of special type wagons which are required for handling heavy cargo.

[*Min. of Transport & Aviation, Dept. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI(20)/65, dated 6-12-1966*].

Recommendation (Serial No. 30, Para 58)

As the efficient working of cranes is of crucial importance in ensuring quick handling of goods, the Committee cannot too strongly stress the need for maintaining them in excellent working condition. The Port Trust may also consider the advisability of having suitable stand by equipment and sufficient spare parts so that the handling of goods is not impeded by machine break-downs.

REPLY OF GOVERNMENT

The recommendation has been noted. Interruption to work caused by the breakdown of handling appliances like cranes and other equipment at this port is negligible.

[*Min. of Transport & Aviation, Dept. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI(20) /65, dt. 23-11-1966.*]

Recommendation (Serial No. 31, Para 59)

The Committee are constrained to observe that the coal mechanical plant has not been made fully operational even after several years of its erection. They suggest that urgent steps should be taken by the Port authorities in conjunction with the Railways to utilise the Plant to its full capacity.

The Committee would also stress that the coal handling facilities to be provided at Haldia should be designed in full consultation with the Railways so that operational difficulties of the nature which are being experienced at present at Kidderpore do not occur. In particular the mechanical plant should be so designed that it can handle Box Wagons which are being increasingly used for movement of coal.

REPLY OF GOVERNMENT

The mechanical coal handling plant at No. 18 Berth, Kidderpore Dock cannot be used to its full capacity as the Railways are unable to transport the required amount of coal in rekes of open wagons which can be handled by the Tipplers at this berth. The Railways are introducing larger Box Type wagons for carriage of coal, ore, etc. but they cannot be handled by the existing plant. It is proposed to transfer Coal shipment to the new Haldia dock where Tipplers capable of handling Box wagons will be provided. It is not desirable to undertake a modification of the existing Coal loading plant in the Kidderpore Docks at this stage.

[*Min. of Transport and Aviation, Dept. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI (20) /65, dt. 23-11-66.*)

Recommendation (Serial No. 32, Para 60)

The Committee would stress that the mechanical ore handling plant to be installed at Haldia should be of the latest design so as to make for economic and competitive handling of ore.

REPLY OF GOVERNMENT

The Ore handling plant to be installed at Haldia will be of modern design.

[*Min. of Transport & Aviation, Deptt. of Transport & Shipping, (Transport Wing), O.M. No. 12-PDI (20) /65, dt. 23-11-1966.*]

Recommendation (Serial No. 33, Para 62)

The Committee are constrained to observe that the scheme for installation of the silo was not properly planned from the very beginning. About six years were allowed to elapse from the time of the receipt of equipment in March, 1956 to its installation in September, 1961. It is going to take another four years to instal the Marine Leg. The Committee suggest that a detailed analytical study may be made of the reasons which have impeded the installation of the silo and marine leg so that in the light thereof adequate steps may be taken to ensure that silos and other foodgrains handling equipment to be installed at other ports, notably Haldia, do not suffer from such delays.

REPLY OF GOVERNMENT

The marine leg was installed at No. 23 Berth Kidderpore Docks in October, 1965 and it has been working ever since. The delay was due to several factors. At first the silo was put up for the purpose

of storing wheat brought from Visakhapatnam Port by train. It was apprehended that as at Bombay the labour would oppose mechanisation of discharge from ships at Calcutta. The scheme of constructing a marine leg was accordingly pursued rather slowly. While the Port Commissioners agreed to undertake the construction on behalf of the Food Department the latter was responsible for design, lay out etc. The Food Department depended on a foreign expert in this matter. The Indian Contracting firm, which was given the work, had also no previous experience of such work. This was the first time that such equipment for discharge of grain was being made in India and difficulties were met with frequently in the course of the fabrication and erection work. Modifications had to be made from time to time. Delay was thus unavoidable. There was also difficulty from time to time in getting foreign exchange for the import of certain parts. However, as mentioned the marine leg has been functioning from November, 1965.

Many lessons have been learnt in constructing the mechanical discharge system and in its working. It has been necessary to undertake additions and alterations to the silo as well as to the equipment used for pumping out grain from the ships. These lessons would be valuable in designing the silo and mechanical discharge equipment at Haldia. The Food Department who propose to undertake this work direct at Haldia have also been consulting foreign experts.

[*Min. of Transport and Aviation, Department of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI(20) dt. 6-12-1966*].

Recommendation (Serial No. 34, Para 63)

(i) *The Committee would suggest that early action should be taken on the recommendations of the Indian Port Facilities and Cargo Handling Improvement Team (U.S.A.I.D.) so that the capacity of the Grain Silo, Kidderpore for handling foodgrains is further stepped up.*

(ii) *The Committee hope that early action would be taken by Government on the recommendations of the above team so as to improve the efficiency of handling operations of foodgrains at Indian ports.*

(iii) *The Committee should, however, like to add that apart from taking action on the recommendations of the above team a comprehensive review of the capacity of the ports to unload and move imports of foodgrains with reasonable expedition is called for. The latest performance in this respect at a time when the country was*

facea with a severe food crisis, was not a happy one. Apart from technological or procedural handicaps, the human factor involving lack of cooperation on the part of labour proved to be a major bottleneck on that occasion. The country cannot afford to have a repetition of this experience. The Committee urge that concerted action may be taken to forestall and provide against all such handicaps or bottlenecks in future.

REPLY OF GOVERNMENT

The suggestions have been communicated to the Food Department for action. It may be mentioned that concerted efforts have been made by the Food Department, the Railways and the Port Trusts during the last year to augment capacity for handling foodgrains in all possible ways. That the Indian Ports have been able to handle much larger import of foodgrains than ever in the past is indicative of this. Discharge into lighters and flats in the river, discharge from bulk carriers into smaller vessels at Saugar, discharge in bulk at another berth, use of box wagons to carry foodgrains, introduction of incentive wages to Dock Labour Board workers handling foodgrains, transport in bulk from the silo to the Food Department's godowns are the measures taken to augment the handling of foodgrains at the Port of Calcutta.

[Min. of Transport and Aviation, Department of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI (20) dt. 6-12-1966]

Recommendation (Serial No. 35, Para 65)

The Committee recommend that early decision may be taken on the question of providing an additional dry dock in Calcutta and one large dry dock in Haldia. The Committee would also emphasise that the new dry docks should be equipped on modern lines in consultation with ship-repairing works so that up-to-date facilities are available to facilitate execution of repairs to ships. The Committee would also suggest that the question of standardising the equipment and machinery for the new dry docks and undertaking their manufacture within the country may be considered.

REPLY OF GOVERNMENT

Provision has been made in the Fourth Five Year Development programme of this port for the construction of an additional dry dock at Calcutta. It is also intended to construct a large dry dock at Haldia in due course. These dry docks will be provided with modern equipment in keeping with the genuine needs of the ship repairing firms.

An inter-ports Committee of Chief Mechanical Engineers has been dealing with the question of standardisation of mechanical equip-

ment required by the ports. This Committee has been asked to examine the equipment for dry docks as well.

[*Min. of Transport and Aviation, Deptt. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI (20) dt. 23-11-1966*].

Recommendation (Serial No. 36, Para 66)

The Committee would suggest that the work on the expansion of King George's Dock may be expedited and that a suitable number of berths to be released at Calcutta on the completion of Haldia port, may be earmarked for repairs. In the meantime the port authorities may consider the question of providing adequate craneage facilities and improving the approach road to the dead berth area where repairs are being carried out presently.

REPLY OF GOVERNMENT

The work of extension of the King George's Dock is in progress and every attempt is being made to complete it as early as possible. It is intended to provide a repair berth in the extended dock. On completion of the Haldia dock and diversion of coal and ore traffic, some of the present coal berths will be earmarked for ship repairs.

There is continuous effort to keep the roads to the berths where repairs are carried out in a satisfactory condition and to provide adequate crane facilities. In providing earmarked repair berths in future, either in King George's Dock or in Kidderpore Dock, the Committee's recommendations will be kept in view.

[*Min. of Transport and Aviation, Deptt. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI (20)/65, dated 23-11-66*].

Recommendation (Serial No. 37, Para 67)

The Committee are constrained to observe that the underlying objects of imposing the restrictions, viz., conserving foreign exchange and securing the maximum utilisation of indigenous ship repair yards do not appear to have been fulfilled in view of increasing amounts spent on Indian ships abroad and the declining trend in the earning of indigenous ship repairing works.

The Committee would emphasise that stringent action should be taken to ensure that the existing capacity of indigenous ship repairing yards is put to the maximum use and that foreign exchange is conserved to the extent possible.

REPLY OF GOVERNMENT

The Committee's recommendations have been noted and the matter is being pursued.

[*Min. of Transport and Aviation, Department of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI (20)/65, dt. 19-12-1966*]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please state the precise action taken on the recommendation, together with the expenditure incurred by Indian shipping companies on repair of ships abroad since 1963-64 year-wise. (LSS O.M. No. 4/22(1)EU/65 dt. 5-1-67).

FURTHER REPLY OF GOVERNMENT

Under the existing procedure, Indian Ship-owners are not generally permitted to carry out any major repairs or surveys abroad without the prior approval of the Directorate General of Shipping. Approval of the Directorate General of Shipping is granted only if they are satisfied, after consultation with their technical officers that the repairs or surveys cannot be carried out in India. Notwithstanding this procedure, Indian ships operating in overseas trades have often to be repaired or surveyed abroad, particularly when they are involved in accidents resulting in damage to hull, machinery etc. Similarly, ships operating exclusively in international cross trades have also to be repaired and surveyed abroad as they do not generally touch the Indian ports.

It may also be mentioned that the existing facilities available at the Indian ship repair yards are not adequate with the result that the Indian shipowners have often to be permitted to go to foreign yards for repairs and surveys.

[*Min. of Transport and Aviation, Dept. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dt. 17-2-67*].

FURTHER REPLY OF GOVERNMENT

The information regarding expenditure incurred on repair of Indian Ships abroad is given below:

1963-64—Rs. 49,42,642

1964-65—Rs. 1,81,59,717

1965-66—Rs. 24,92,314

[*Ministry of Transport and Shipping (Transport Wing), O. M. No. 12-PDI(20)/65, dated 6-5-1967*].

Recommendation (Serial No. 38, Para 68)

The Committee would recommend that necessary assistance should be extended to the ship repairing works in obtaining the requisite items from indigenous sources and where these are not available, due assistance should be extended by permitting their import from abroad to the extent necessary. Refusal to permit their import on the ground of conserving foreign exchange obviously defeats its own purpose.

REPLY OF GOVERNMENT

The Committee's recommendations have been noted and the matter is being pursued.

(Min. of Transport & Aviation Deptt. of Transport & Shipping (Transport Wing), O.M. No. 12-PDI (20)/65, dt. 23-11-1966].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please intimate the precise action taken in pursuance of Committee's recommendation.

[LSS. O.M. No. 4/22(I)ECI/65, dated 5-1-1967.]

FURTHER REPLY OF GOVERNMENT

This falls into two parts:—

(a) grant of assistance to the shiprepairing works in obtaining the requisite items from indigenous sources, and

(b) grant of assistance for their import in cases where they are not available from indigenous sources.

So far as (a) is concerned, this question is being actively pursued by the Ship Ancillary Industries Committee which has been set up specifically to advise Government on the measures to be taken for promoting the indigenous production of materials and equipment required by the shipbuilding and ship repairing industries. The Committee has recommended *inter alia* that a phased programme of indigenous production of equipment should be drawn up and an order of priorities laid down so that India may attain a state of self-sufficiency. It was also recommended that a "Development Cell" should be set up jointly by the three public sector undertakings, namely the Hindustan Shipyard, Visakhapatnam, the Garden Reach Workshops, Calcutta and the Mazagon Dock, Bombay and that they should pool their resources, and in consultation with the shipowners and manufacturers, decide upon the type, design and size of ships and their equipment and take necessary steps for development of items by placing advance orders.

The question of setting up such a "Development Cell" by the Public Sector Undertaking is under the consideration.

As regards (b), the Central Advisory Council for shipbuilding and shiprepairing had made the following recommendations:—

(i) a scheme should be introduced for importing the various items of equipment, spares, components, etc. free of customs duty and storing them in bonded warehouses for

being supplied to shipyards as and when necessary. For this purpose, cooperative societies or associations of shiprepairing firms may be formed at Calcutta and Bombay or, alternatively, the foreign manufacturers concerned may be induced to maintain requisite stocks in bond in India.

(ii) The scheme formulated by the Ministry of Commerce for the grant of import entitlement to Shiprepairing firms should be liberalised.

As regards (i), it may be mentioned that certain firms like Siemens and Escorts have already arrangements of the nature recommended by the Advisory Council and these have been approved by Government. Government have also accepted in principle that M/s. Mazagon Dock Ltd. and Garden Reach Workshops Ltd. also may be allowed to introduce similar arrangements. The possibility of similar arrangements being introduced by other well established shipyards is being examined.

As regards (ii), the position has since changed. Consequent on the devaluation of the rupee, the import entitlement scheme has been withdrawn but in its place, several industries have been included in the list of priority industries for liberalised facilities for the import of machinery and spare parts. [The question of including Shiprepairing industry in the list of these priority industries is under consideration.]

[*Ministry of Transport and Aviation, Department of Transport and Shipping (Transport Wing), O.M. No. 12- PDI (20)/65, dt. 17-2-67*]

Recommendation (Serial No. 39, Para 69)

The Committee would suggest that Government may look into the high prices for materials required by shiprepairing industry and take suitable action to make the materials available to the shiprepairing yards at competitive rates.

The Committee cannot over-emphasise the need for shiprepairing works to increase their productivity and bring down the cost of repairs so as to make their services fully competitive in the international market.

Reply of Government

[*Min. of Transport and Aviation, Department of Transport and Shipping (Transport Wing). O.M. No. 12-PDI (20)/65, dt. 19-12-1966*]

The Committee's recommendations have been noted and the matter is being pursued.

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please intimate the precise action taken in pursuance of Committee's recommendation.

[*LSS. O.M. No.* 4/22(1) *ECI/65 dt.* 5-1-1967]

FURTHER REPLY OF GOVERNMENT

The Central Advisory Council had made an assessment of the various items of auxiliary equipment and materials required by the shiprepairing industry during the five years from 1966-70, indicating also which of these could be manufactured in India and which had to be imported from abroad. On the basis of this assessment, the Council recommended that:—

(a) in regard to items which can be manufactured in India, these should be standardised and shiprepair yards should be compelled to place orders on manufacturers of such standardised equipment after negotiating and settling the price of each item

(b) similar standardisation should be introduced in the case of port craft and port equipment, also

(c) a representative team of ship repairers may be sent to Japan, U.K. and some of the continental countries to study productivity in the shiprepairing industry.

As regards (a) and (b) the Ship Ancillary Industries Committee were also considering the question of promoting indigenous production of such materials and equipment. This recommendation was referred to that Committee who have since set up a sub-committee to examine the question of standardisation of the various items of auxiliary equipment. It is hoped that the standardisation of the various items of equipment, etc. will lead to substantial reduction in their prices.

With regard to other raw materials like steel, etc., the complaint from the industry has been in regard to their non-availability in adequate quantities and not in regard to their high prices.

As regards (c), it has since been decided that a study team should visit Japan for studying the problem. Further action for sending the team is being taken in consultation with the Indian Engineering Association.

[*Min. of Transport and Aviation, Department of Transport and Shipping* (*Transport Wing*), *O.M. No.* 12-*PDI*(20)/65, *dt.* 17-2-1967]

Recommendation (Serial No. 40 para 70)

The Committee are distressed to find that the difficulties of ship-repairing industry have not received adequate attention of the Government during the last few years. The Committee hope that now that a Central Advisory Council on Shipbuilding and Shiprepairs has been formed it would tackle the problem on an urgent basis having due regard to the fact that it is a long established industry which can save and earn valuable foreign exchange by executing repairs to Indian ships.

Government may also consider the question of extending proper incentives to the shiprepairing industry to make its rates competitive for undertaking repairs to foreign ships and earn the much needed foreign exchange.

REPLY OF GOVERNMENT

The Committee's recommendations have been noted and the matter is being pursued.

[*Ministry of Transport and Aviation Dept. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dated 23-11-66*].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please state the concrete action taken on Committee's recommendation together with the results achieved.

[*LSS. O.M. No. 4/22(1) ECI/65, dt. 5-1-1967*].

FURTHER REPLY OF GOVERNMENT

The Central Advisory Council has made several recommendations for assisting the shiprepairing firms. Some of the recommendations have been accepted by the Government and other recommendations are under examination.

[*Min. of Transport and Aviation, Department of Transport and Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dt. 17-2-1967*]

Recommendation (Serial No. 41, Para 73)

The Committee would suggest that the question of having a separate Port Protection Force, on the lines of the Railway Protection Force, may be considered by the Union Government in consultation with the Port authorities and the State Government, at an early date. In any case, the withdrawal of Port Police for maintaining law and order in the city should be reduced to the minimum and that

as far as possible prior approval of the Chairman, Calcutta Port Trust should be taken. The charges to be borne by the Calcutta Port Trust should in equity be proportionately reduced for the days that the Port Police are withdrawn by the State Government to meet their requirements of law and order situation in the city.

REPLY OF GOVERNMENT

The question of setting up a separate Port Protection Force on the lines of the Railway Protection Force is under consideration.

While the State Government have agreed to keep the Chairman, Calcutta Port Commissioners, informed of the withdrawals of the Police force, they have not so far agreed to abate the amount payable by the Calcutta Port Commissioners to the extent police force is withdrawn from time to time. The matter is however, being pursued.

[*Ministry of Transport and Shipping (Transport Wing), O. M. No. 12-PDI(20)/65, dated 6-5-1967*].

Recommendation (Serial No. 42, Para 75)

The Committee urge that the existing security arrangements in the Port should be further tightened and that the responsibility for the protection of goods in the sheds etc. should be fixed at each level Government may consider in this context the question of having a mobile police squad for intensified patrolling inside the docks and jetties. The Committee also cannot too strongly stress the need for taking strict and prompt departmental action against employees found conniving with pilferers so that it may act as deterrent to others.

REPLY OF GOVERNMENT

A Mobile Police Squad has been created for patrol inside the Docks. The Commissioners have sanctioned a separate mobile squad for their Watch & Ward section also. Adequate action is taken whenever any employee is found involved in pilferage.

[*Min. of Transport and Aviation, Dept. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI(20)/65, dt. 23-11-66*].

Recommendation (Serial No. 43, Para 76)

The Committee are constrained to note that an appreciable number of cases of pilferage remain pending for enquiry. The Committee would suggest that no time should be lost in holding enquiries so

that all significant clues can be pursued without loss of time and the culprits brought to book.

The Committee would suggest that the question of forming a highly qualified investigation squad to trace the pilferers and their contacts may be examined.

The Committee would also like the Port authorities to take suitable measures to improve the lighting arrangement of the yard at night, check entry of un-authorised persons in the Port area, erect boundary wall, encourage expeditious delivery of goods, improve tally etc. so as to bring down the incidence of pilferage.

REPLY OF GOVERNMENT

The recommendations have been noted. The investigations are done by the Port Police. A separate Prosecution Section functions under the Traffic Manager to help the Port Police in investigation and also in the prosecution of offenders. The services of the detective department of the Calcutta Police are made available in important cases. A special set of staff is attached to the Port Police Establishment for the purpose of conducting investigations into pilferage cases.

As part of the anti-pilferage programme, various improvements such as better lighting of roads, raising of boundary walls, strengthening of lockfast had been carried out at a cost of Rs. 28.5 lakhs. The entry and exit from Docks are now controlled through a system of passes which involves a recurring expenditure of Rs. 1.25 lakhs per annum. These measures have helped to some extent in controlling the incidence of pilferage.

[*Ministry of Transport and Aviation, Dept. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dated 6-12-66*]

Recommendation (Serial No. 44, Para 77)

The Committee are of the view that Government should examine the question of pilferage and smuggling on River Hooghly in all its aspects and take effective measures including intensification of river patrolling to check these evils.

REPLY OF GOVERNMENT

The control of the long river is a difficult task. The Port Police has a river police organisation which functions within the port area. It has a certain number of launches and boats under its control.

[*Ministry of Transport and Aviation, Dept. of Transport and Shipping (Transport Wing), O.M. No. 12-PDI(20)/65, dated 6-12-66*]

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please indicate the measures taken in pursuance of the Committee's recommendation to check the evil of pilferage and smuggling on the River Hooghly.

[*L.S.S. O.M. No.* 4/22(1) *ECI/65, dated* 5-1-67]

FURTHER REPLY OF GOVERNMENT

The Calcutta Port Commissioners who were consulted have made the following observations:

"This matter comes entirely under the purview of the Collector of Customs and the Deputy Commissioner of Police, Port Division. Under the Deputy Commissioner, Port Division, a River Traffic Police Section operates and this is entrusted with patrolling the River for keeping down the incidence of crimes on the waterfront. The River Traffic Police and the Customs are equipped with launches for this purpose.

The Commissioners contribute 7/10ths of the expenditure on Port Police, which works out to about Rs. 28 lakhs per annum.

Pilferage on the river is generally restricted to export cargo and takes place mainly during the period the loaded boats wait near the river bank for placement alongside the export vessel. The employment of Watchmen by the exporting firms for guarding their cargo might keep down the incidence of such pilferage. Boats coming out of the docks are being subjected to surprise checks against removal of stolen goods.

A riverline Port like Calcutta, spread over a farflung area, is vulnerable to pilferage and this has to be borne in mind in considering the effectiveness of the measures taken for minimising pilferage. Important cases of thefts/pilferages are discussed at the Anti-Pilferage Committee Meetings held once a month with the Police and representatives of Trade and Shipping interests. At this meeting, suggestions for minimising such cases are taken into consideration for implementation wherever possible. In spite of continuous vigilance exercised for prevention of pilferage, big ports and particularly ports with facilities scattered over a vast area, have to contend with this problem.

[*Min. of Transport & Shipping (Transport Wing), O.M. No.* 12-*PDI* (20)/65, *dated* 6-5-1967.]

Recommendation (Serial No. 46, Para 79)

The Committee would suggest that the accounts of the Port Railway may be maintained separately so that watch can be exercised on the efficiency of its operations and necessary remedial measures taken.

REPLY OF GOVERNMENT

A separate set of accounts on a *pro forma* basis will be maintained to study the working of the railway as a whole. A senior Accounts Officer has been appointed on special duty to devise methods of maintaining various auxiliary or *pro forma* accounts which are required by the Management

[*Min. of Transport and Aviation, Dept. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI (20)/65, dt. 23-11-1966*].

Recommendation (Serial No. 48, Para 81)

The Committee feel that the Port Trust has more or less been able to maintain the importance and utility of the Calcutta Port. At one stage perhaps dredging was somewhat neglected and the draft declined. But during the last few years, there has been considerable improvement in the draft position of the Calcutta Port. The Committee hope that the Port Trust authorities will be in a position to maintain the importance of Calcutta Port and also to improve its draft, particularly after the completion of the Farakka barrage, and to utilise Haldia as an associate Port for Calcutta.

REPLY OF GOVERNMENT

The Committee's observations have been noted.

[*Min. of Transport and Aviation, Dept. of Transport and Shipping (Transport Wing) O.M. No. 12-PDI (2),/65 dt. 6-12-1966*].

Recommendation (Serial No. 49, Para 88)

The Committee consider that information required by the International Bank for Reconstruction and Development regarding commodity-wise projection of traffic to be handled by the Indian ports in 1970-71 should have been available with the Ministry of Transport as it constitutes the basic frame work for drawing up the outlines for the next Plan. The Committee hope that the Study Group constituted by the Government in September, 1964 to collect the information would complete the work without further delay so that

the application pending with the International Bank for Reconstruction and Development for loan is finalised early.

REPLY OF GOVERNMENT

The report of the Study Group was sent to the World Bank in September, 1965. A World Bank Appraisal Team came out in November, 1965. The matter is now under correspondence between the Government and the Bank.

[*Ministry of Transport and Aviation, Dept. of Transport and Shipping (Transport Wing) O.M. No. 12-PDI(20)/65, dt. 23-11-1966*].

Recommendation (Serial No. 50, Para 89)

(i) *As the Committee are aware that Haldia is being developed as an ancillary port to the Calcutta Port system, its development programme should be in line and consistent, with the needs of Calcutta port.*

(ii) *The Committee like to stress necessity of having an integrated development programme for the ports on the eastern coast, taking in view of the traffic potentialities of the next two Plan periods.*

REPLY OF GOVERNMENT

The Committee's recommendation has been noted.

[*Ministry of Transport and Aviation, Dept. of Transport and Shipping (Transport Wing) O.M. No. 12-PDI(20)/65, dated 23-11-66*]

Recommendation (Serial Nos. 51, 52, Paras 90 & 91)

The Committee would stress that now that research vessels have been acquired and necessary equipment received, studies should be intensified so that engineering works for Haldia port are suitably sited.

The Committee would suggest that details of the various engineering works required to be executed in the first phase of the Haldia Project may be prepared so that the work can be taken in hand as soon as foreign exchange component of the project is assured.

REPLY OF GOVERNMENT

The execution of the Haldia Project has been taken up in right earnest. The Project is now estimated to cost Rs. 40 crores including a foreign exchange component of Rs. 7 crores (pos

devaluation) making maximum use of the indigenous potential for the manufacture of capital machinery and restricting imports to the absolute minimum. All the preliminaries connected with the project are under way. 83% of the land required has been acquired. The construction of the permanent Oil Jetty for handling crude oil at Haldia is in progress and the work is expected to be completed by the middle of 1967. The work on the 1st stage excavation of the dock and the turning basin is in progress. A contract for dredging the Haldia Dock basin and river approaches has been awarded. Tenders for the main civil works consisting of lock entrance and the berths have been invited by the Calcutta Port Commissioners. An expenditure of Rs. 4.2 crores had already been incurred on the project and further commitments to the extent of Rs. 6.29 crores have already been entered into. According to present indications, the Haldia Dock system is expected to be commissioned by 1970-71.

[*Ministry of Transport and Aviation, Dept. of Transport and Shipping (Transport Wing) O.M. No. 12-PDI(20)/65, dt. 19-12-66.*]

Recommendation (Serial No. 53, Para 92)

The Committee would suggest that suitable measures may be taken to ensure that developed plots are given to the displaced agriculturists at an early date.

The Committee would suggest that agriculturists who have been displaced from their lands in Haldia should be given due preference in employment in the new Port and that training facilities for them, as necessary, may also be provided.

REPLY OF GOVERNMENT

The Port Commissioners have acquired 148.16 acres of land in Haldia for providing home stead plots to persons displaced by acquisition of land for the Haldia Dock Project. This land has been raised and roads etc. provided to making the land suitable for dwelling purpose. These home stead plots were offered to all affected families but response has not been encouraging. Only about 5 or 6 per cent of the families have sought allotment of plots in this area.

2. There is not much employment at Haldia on the Port Project at present which can be offered to the agriculturists. However, the State Government have opened an Employment Exchange at

Sutahata so that the displaced persons may register their names for consideration as and when employment opportunities arise.

3. As regards training facilities for them, it is understood that the State Government will soon be opening an industrial training institute in the area.

[*Ministry of Transport and Aviation, Dept. of Transport and Shipping (Transport Wing) O.M. No. 12-PDI(2),/65 dt. 6-12-1966*].

Recommendation (Serial No. 54, Para 93)

The Committee would stress that the rail link to Haldia should be completed by the target date. Government may also consider in due course the question of providing a shorter and alternative rail link between Haldia and Calcutta via Kolaghat.

REPLY OF GOVERNMENT

The recommendation has been brought to the notice of the Railway Board.

[*Ministry of Transport and Aviation, Dept. of Transport and Shipping (Transport King) O.M. No. 12-PDI(2)/65, dt. 23-11-66*].

Recommendation (Serial No. 55, Para 94)

(i) *The Committee would suggest that early decision may be taken on the question of providing a second road link between Calcutta and Haldia via Kolaghat which will be a shorter route and can be effected by extending the National Highway No. 6 from Kolaghat to Haldia.*

(ii) *The Committee would suggest that the Port Commissioners, Calcutta should maintain close liaison with the Ministry of Railways, Ministry of Transport and the West Bengal State Government in the matter of developing rail and road link for facilitating the construction work at Haldia and for providing easy means of communications to carry exports to and imports from the new port The Committee would suggest that more than one rail-road link may be provided between Haldia and Calcutta the main consuming centre.*

REPLY OF GOVERNMENT

(i) It has been decided to construct the road link mentioned.

(ii) The Committee's recommendation has been noted.

[*Ministry of Transport and Aviation, Dept. of Transport and Shipping (Transport Wing) O.M. No. 12-PDI(20)/65, dt. 23-11-1966*]

Recommendation (Serial No. 56, Para 95)

The Committee hope that necessary facilities for handling of the crude oil including construction of an oil jetty at Haldia would be provided in time.

REPLY OF GOVERNMENT

The construction of an oil jetty (and provision of necessary handling equipment) has already been taken in hand.

[*Min. of Transport & Aviation, Deptt. of Transport and Shipping, (Transport Wing) O.M. No. 12-PDI (2)/65, dt. 23-11-1966*].

Recommendation (Serial No. 57, Para 96)

The Committee hope that collaboration arrangements would be finalised in time so that Haldia Refinery comes up in stream by the scheduled date.

REPLY OF GOVERNMENT

The recommendation has been brought to the notice of the Ministry of Petroleum & Chemicals.

[*Min. of Transport and Aviation, Dept. of Transport and Shipping, (Transport Wing) O.M. No. 12-PDI (2)/65, dt. 23-11-1966*]

FURTHER INFORMATION CALLED FOR BY THE MINISTRY

Please indicate the latest position in the matter.

[*L.S.S. O.M. No. 4/22(1)ECI/65, dt. 5-1-67*].

FURTHER REPLY OF GOVERNMENT

The Ministry of Petroleum and Chemicals have stated that all efforts are being made to conclude collaboration agreements before March 1967 so that the refinery goes on stream during 1969.

[*Min. of Transport and Aviation, Dept. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI (20)/65, dated 7-2-1967*].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Confirmation regarding collaboration agreements for the setting up of Haldia Refinery and the salient features thereof.

[*L.S.S. D.O. letter No. 4/22(1)ECI/65, dt. 22-4-1967.*]

FURTHER REPLY OF GOVERNMENT

The Ministry of Petroleum and Chemicals have stated that the collaboration agreement for the setting up of the Haldia refinery has not yet been concluded. The proposals made to Government are under examination and it is hoped that Government's decision in this regard will be announced shortly.

[*Min. of Transport and Shipping (Transport Wing) O.M. No. 12-PDI/(20)/65, dated 6-5-1967*].

Recommendation (Serial No. 58, Para 97)

[*The Committee would suggest that as a firm decision on the development of Haldia has now been taken, the question of the establishment of free trade zone at Haldia, may be considered, without waiting for the results of the free trade zone recently established at Kandla, keeping in view the fact that unlike Kandla, Haldia has one of the most industrialised hinterland to provide skill and experience as well as raw materials for developing manufacture of engineering goods for export;*

The Committee would also suggest that Government may consider the question of developing the area around Haldia as a petro-chemical complex and industrial complex to provide inter alia *the much needed employment to absorb over 9 lakhs new migrants who have crossed the border from East Bengal since January, 1964.*]

REPLY OF GOVERNMENT

The matter is being pursued with the Ministry of Commerce and the Ministry of Petroleum and Chemicals.

[*Ministry of Transport and Aviation, Dept. of Transport and Shipping (Transport Wing) O.M. No. 12-PDI(20)/65, dt. 19-12-66.*]

CHAPTER III

RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLY

Recommendation (Serial No. 2, Para 4)

The Committee suggest that the question of re-organising the Port Trust on the lines obtaining in more advanced countries to ensure better planning and execution may be examined. The Committee would also suggest that the work-load on the Chairmen of the three major Port Trusts, particularly Calcutta—a complex and difficult port, may be examined with a view to see how it can be better rationalised in the interest of efficiency.

REPLY OF GOVERNMENT

The organisation of the Port Trusts varies from country to country. The organisation in India and the role that the Chairmen of the Port Trusts play in running the ports have evolved as a result of long experience. On the whole, they are appropriate and sound. It would not be desirable to upset these. It is true no doubt that, with the further development of the ports and consequent increase of their responsibilities, it may become necessary to ensure that the Chairmen are given adequate assistance to be able to discharge their responsibilities satisfactorily. So far as the Port of Calcutta is concerned, the present Calcutta Port Act itself provides for a Deputy Chairman who is also a Commissioner and thus able to relieve the Chairman a great deal of routine work. The Bombay Port Trust has a General Manager to assist the Chairman.

Recommendation (Serial No. 6, Para 19)

The Committee have no doubt that much of the present ills of Calcutta Port in regard to navigability, will end with the construction of the Port at Haldia and therefore suggest that the Haldia Project should be executed on a high priority basis.

REPLY OF GOVERNMENT

It is agreed that the Haldia project should be executed on a high priority basis. Unfortunately, there has been delay due to foreign exchange difficulty. There have been prolonged negotiations wit'

the World Bank for a loan to meet the foreign exchange cost of the project. It is hoped to finalise this matter soon. Once the foreign exchange availability is ensured, every attempt will be made to complete the project as quickly as possible.

[*Ministry of Transport and Aviation, Dept. of Transport and Shipping (Transport Wing) O.M. No. 12-PDI(20)/65, dt. 23-11-1966*].

FURTHER INFORMATION CALLED FOR BY THE COMMITTEE

Please state the latest position regarding the World Bank loan for the development of port facilities at Haldia. Please also indicate what alternative measures are contemplated in case the loan is not forthcoming within a reasonable time.

[*L.S.S. O.M. No. 4/22(I)ECI/65, dated 5-1-1967*]

FURTHER REPLY OF GOVERNMENT

It has since been decided to withdraw the Haldia project from the scope of World Bank assistance and to execute it by making maximum use of indigenous potential and restricting imports to the absolute minimum. On this basis, the total estimated cost of the project works out to Rs. 40 crores including a foreign exchange component of Rs. 7 crores. Efforts are being made to tie up the foreign exchange requirements to trade plan resources and *ad hoc* and sundry credits.

In the meantime, several components of the project have already been sanctioned. An estimate of Rs. 2 crores was sanctioned in 1961 for the acquisition of land amounting to 9·3 square miles required for the project. The land acquisition is proceeding according to plan. An estimate of Rs. 80 lakhs was sanctioned in May 1966 for the excavation of the dock basin and the work is in progress. A contract for the construction of an oil jetty at Haldia was awarded in June 1965 for Rs. 140 lakhs and the work is scheduled for completion by the middle of 1967. A contract for the dredging of the Haldia Dock basin and the approaches has recently been awarded for Rs. 286 lakhs and the work has been taken up.

[*Min. of Transport & Aviation, Deptt. of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI(20)/65, dt. 17-2-67*].

COMMENTS OF THE COMMITTEE

The Committee commend Government's decision to withdraw the project from the scope of the World Bank assistance with a view to execute it by making maximum use of indigenous potential and

restricting imports to the absolute minimum. They, however, feel that if Government had considered this possibility earlier in all earnestness, the long period of over 3 years which they took to negotiate for the World Bank assistance could have been avoided and the project would have shown substantial progress by now. Now that a firm decision has been taken about financing of the project, the Committee would emphasise that it should be completed with utmost priority so that the Haldia Port may serve as an associate port for Calcutta at the earliest.

Recommendation (Serial No. 20, Para 40)

The Estimates Committee would suggest that the Committee suggested to go into the question of rationlisation of port charges for major ports of India may also examine the question of standardisation and simplification of documentation so as to speed up clearance from the Port.

REPLY OF GOVERNMENT

This question is being referred to the Inter Ports Committee of Traffic and Dock Managers of the major ports for examination in the first instance.

[*Ministry of Transport and Aviation, Department of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI (20)/65, dt. 23.11.66*]

Recommendation (Serial No. 45, Para 78)

The Committee would suggest that the working of Calcutta Port Railways may be examined thoroughly by an expert team drawn from the Indian Railways, and a comprehensive plan drawn up for modernising the rail facilities in the Port area to keep pace with modern requirements. The expert team should in particular suggest measures to improve efficiency and effect economy.

REPLY OF GOVERNMENT

Instead of setting up a committee, a new post of Railway Operating Superintendent was created and a senior officer was obtained on loan from the Railways to hold this appointment. It was felt that in addition to reviewing the working of the Port Railway he would be able to effect various improvements in the detailed day-to-day working the Railway system.

[*Ministry of Transport and Aviation, Department of Transport and Shipping, (Transport Wing), O.M. No. 12-PDI (20)/65, dt. 23.11.66*]

Recommendation (Serial No. 47, Para 80)

The Committee would urge that the question of demarcating the responsibilities of the Calcutta Corporation as also the Port authorities in regard to the maintenance of roads should be taken up expeditiously so that the roads may not remain in a state of disrepair due to conflicting jurisdictions.

REPLY OF GOVERNMENT

It is known which roads have to be maintained by the Calcutta Corporation and which roads by the Port Commissioners. The roads in the port area which are maintained by the Commissioners are in a fairly good condition but many of the roads which have to be maintained by the Corporation are often in a bad condition. The increase in the density of traffic and the increasing use of heavy vehicles has added to the cost of maintenance. The question of improving the Corporation roads serving the Port was taken up with the Corporation. A scheme for improving drainage so as to reduce the extent of deterioration during the rains was also prepared and forwarded to the Corporation with the approval of the Calcutta Metropolitan Planning Organisation and the State Government but the Corporation has expressed its inability to take up the scheme due to financial difficulty.

[*Ministry of Transport and Aviation, Department of Transport and Shipping, (Transport Wing). O.M. No. 12-PDI (20)/65, dt. 23-11-1966.*]

NEW DELHI;
August 21, 1967
Sravana 30, 1889 (Saka)

P. VENKATASUBBAIAH,
Chairman,
Estimates Committee.

APPENDIX

(*Vide* Introduction)

Analysis of the action taken by the Government on the 67th Report of the Estimates Committee (Third Lok Sabha)

I	Total Number of recommendations .	58
II	Recommendations that have been accepted by Government (*vide* recommendations at S. Nos. 1, 3, 4, 5, 7—19, 21—44, 46 and 48—58)	
	Number . . .	53
	Percentage to total . . .	91·4
III	Recommendations which the Committee do not desire to pursue in view of Government's reply (*vide* recommendations at S. Nos. 2, 6, 20, 45 and 47) . . .	
	Number	5
	Percentage to total	8·6

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